

FY 2020 Supplemental Request**LBB 2-41****Department: Department of Health and Welfare****Sponsors:****Division: Division of Medicaid****Sen: Agenbroad, Lee****Program: Medicaid Administration & Medical Management****Rep: Wintrow, Amador, Troy****Description: Medicaid Accountant Contract****1. Background:**

The Division of Medicaid requests \$510,000 for the increased costs of its accounting contract with a private entity. An RFP was issued on March 26, 2019, through an open bid process and a contract was signed July 24, 2019, with an effective date of August 1, 2019. This request reflects an increase in both costs and services from the previous contract which was held by the same vendor. Medicaid uses a national certified public accounting firm to provide professional accounting, consulting, data management, and analysis services to the division's health care programs. The division made a request for new contract funding in the last legislative session, but the request was not recommended by the Governor because a final contract amount was not known when the recommendation was made. This request is a 16.5% increase from the previous contract for accounting services.

2. Agency Request and Governor Recommendation

Fund	Type	OT	FTP	PC	OE	CO	TB	LS	Total
0220-03	Gen		0.00	0	255,000	0	0	0	\$255,000
0220-02	Fed		0.00	0	255,000	0	0	0	\$255,000
TOTAL			0.00	\$0	\$510,000	\$0	\$0	\$0	\$510,000

3. Actions:**a. Motion:**

"I move to the Department of Health and Welfare for the Medicaid Administration and Medical Management Program for fiscal year 2020, an additional \$155,000 in ongoing operating expenditures from the Cooperative Welfare (General) Fund, an additional \$155,000 from the Cooperative Welfare (Federal) Fund in ongoing operating expenditures, \$78,800 from the Cooperative Welfare (General) Fund in onetime operating expenditures, and an additional \$78,800 from the Cooperative Welfare (Federal) Fund in onetime operating expenditures for a net total increase of \$467,600.

- b. Discussion:** This motion reflects the contract being approved for 11 months of the year. The twelfth month and the ongoing portion that was substituted with onetime funding in this motion will be used with money already in the base for NEMT program trainings and evaluations. This money may be needed again and JFAC will need to consider adding it back if the new NEMT provider and the Medicaid Division continue struggle with the program.

Motion:			
	Ongoing	Onetime	Total
General Fund	\$155,000	\$78,800	\$233,800
Federal Funds	\$155,000	\$78,800	\$233,800
Total	\$310,000	\$157,600	\$467,600